

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X	
FEDERAL INSURANCE COMPANY,	:
	:
Plaintiff,	:
	:
- against -	:
	:
EXPEDITORS INTERNATIONAL OF	:
WASHINGTON, INC., EXPEDITORS	:
INTERNATIONAL OCEAN, EXPEDITORS	:
INTERNATIONAL FRANCE SAS, NEW	:
ENGLAND MOTOR FREIGHT, INC.; FEDEX	:
TRADE NETWORKS TRANSPORT &	:
BROKERAGE, INC.,	:
	:
Defendants	:
----- X	
EXPEDITORS INTERNATIONAL OF	:
WASHINGTON, INC.; EXPEDITORS	:
INTERNATIONAL OCEAN, EXPEDITORS	:
INTERNATIONAL FRANCE SAS,	:
	:
Third-Party Plaintiffs,	:
	:
- against -	:
	:
AIR FRANCE; FEDEX TRADE NETWORKS	:
TRANSPORT & BROKERAGE, INC.,	:
	:
Third-Party Defendants.	:
----- X	

Defendant FEDEX TRADE NETWORKS TRANSPORT & BROKERAGE, INC.
(hereinafter "FTN"), by and through its attorneys, Clyde & Co US LLP answers
plaintiff's Amended Complaint as follows:

1. Denies knowledge or information sufficient to form a belief as to the truth
of the allegations in paragraphs 1, 2, 3, 4 and 7 of the Complaint, except admits that FTN

is a corporate entity organized under the laws of one of the fifty states and conducts business in New York, and states that it leaves all questions of law for the Court.

2. Denies the allegations in paragraphs 5 and 6 of the Amended Complaint.

**AS AND FOR A FIRST
AFFIRMATIVE DEFENSE**

3. In the event that plaintiff has or had no title or interest in the goods and/or property that are the subject matter of the action, the plaintiff is not a real party in interest and is not entitled to maintain this suit.

**AS AND FOR A SECOND
AFFIRMATIVE DEFENSE**

4. The damages allegedly sustained by plaintiff were caused or contributed to by the negligence or culpable conduct of plaintiff and, therefore, FTN is not liable for any damages allegedly sustained by plaintiff or, alternatively, its liability to plaintiff is partial only and should be reduced in accordance with applicable law.

**AS AND FOR A THIRD
AFFIRMATIVE DEFENSE**

5. Plaintiff's alleged damages resulted from the acts or omissions of parties other than FTN and for whom FTN is not responsible and, therefore, FTN is not liable to plaintiff or, alternatively, the liability of FTN to plaintiff is partial only and should be reduced in accordance with applicable law.

**AS AND FOR A FOURTH
AFFIRMATIVE DEFENSE**

6. The damages allegedly sustained by plaintiff were not proximately caused by any negligence or culpable conduct on the part of FTN.

**AS AND FOR A FIFTH
AFFIRMATIVE DEFENSE**

7. The damages alleged in the Amended Complaint were brought about by an intervening and superseding cause, and were not caused by FTN or by any third-party for whom FTN is responsible.

**AS AND FOR A SIXTH
AFFIRMATIVE DEFENSE**

8. Plaintiff failed to mitigate its damages, if any, and FTN, therefore, is not liable for any damages to plaintiff.

**AS AND FOR A SEVENTH
AFFIRMATIVE DEFENSE**

9. The liability of FTN, if any, is limited in accordance with the applicable contracts, bill of lading, tariffs and/or applicable regulations, statutes or treaties.

**AS AND FOR A EIGHTH
AFFIRMATIVE DEFENSE**

10. The applicable contracts, bill of lading, tariffs and/or applicable regulations, statutes and treaties do not contemplate responsibility for special or consequential damages. To the extent that plaintiff seeks recovery for special or consequential damages, FTN is not responsible.

**AS AND FOR A NINTH
AFFIRMATIVE DEFENSE**

11. The alleged damage did not occur while the property or goods were in the custody or control of FTN.

**AS AND FOR A TENTH
AFFIRMATIVE DEFENSE**

12. The Amended Complaint fails to state a cause of action upon which relief can be granted.

AS AND FOR CROSS-CLAIMS

13. If plaintiff sustained the losses or damages as alleged in the Amended Complaint, such losses or damages were caused solely, or in part, by the negligence or culpable conduct of defendants Expeditors International of Washington, Inc., Expeditors International Ocean, Expeditors International France SAS, and/or New England Motor Freight

14. If plaintiff obtains a judgment against FTN for the losses or damages alleged in the Amended Complaint, such liability will have been brought about or caused solely, or in part, by the careless, negligent or culpable acts or omissions of defendants Expeditors International of Washington, Inc., Expeditors International Ocean, Expeditors International France SAS, and/or New England Motor Freight, or their agents, servants or employees, and FTN therefore is entitled to full indemnity from such defendants, or contribution from such defendants in accordance with their relative culpability, for plaintiff's losses or damages, together with costs and disbursements of the within action, including attorneys fees.

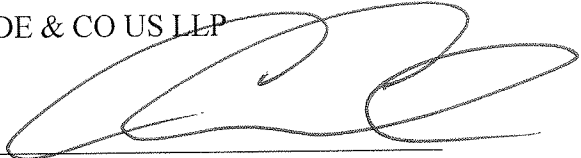
WHEREFORE, FTN demands judgment dismissing the Amended Complaint in its entirety or, alternatively, judgment limiting its liability pursuant to the defenses asserted in its Answer, together with costs and disbursements. In the event a judgment is entered against FTN and in favor of plaintiff, FTN demands judgment over and against defendants Expeditors International of Washington, Inc., Expeditors International Ocean,

Expeditors International France SAS, and/or New England Motor Freight for the full amount for which FTN is found to be liable to plaintiff or, alternatively, for an amount in accordance with their relative culpability for plaintiff's losses or damages, plus all of the costs and expenses incurred by FTN in connection with the defense of this litigation, including attorneys fees.

Dated: New York, New York
January 14, 2008

Yours, etc.,

CLYDE & CO US LLP

By: 

Christopher Carlsen (CC 9628)

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AFFIDAVIT OF SERVICE

STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

Melissa Vorozilchak, being duly sworn, deposes and says that deponent is not a party of this action, is over 18 years of age and resides in New York, New York. That on January 14, 2008 deponent served the within **ANSWER OF FEDEX TRADE NETWORKS TRANSPORT & BROKERAGE, INC. TO AMENDED COMPLAINT** upon:

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Defendants
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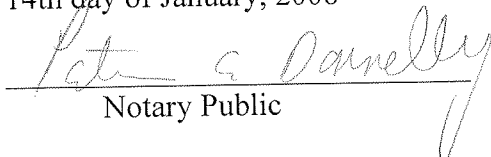
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The address(es) designated by said attorney(s) for that purpose by depositing a true copy thereof enclosed in a post-paid properly addressed wrapper, in an official depository under the exclusive care and custody of the United States Post Office within the State of New York.


Melissa Vorozilchak

Sworn to before me this
14th day of January, 2008


Notary Public

PATRICIA A. DONNELLY
Notary Public, State of New York
No. 01DO5087441
Qualified in New York County
Commission Expires Nov. 30, 2009